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Jeffrey M. Nelson Chief Counsel & Director of Legal Services

August 17, 2018

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE:

Duke Energy Progress, LLC's Request for Approval of Revised Meter Related

Optional Programs Rider MROP

Docket No. 2018-262-E

Dear Ms. Boyd:

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed and does not object to the filing letter submitted by Duke Energy Progress, LLC ("DEP" or the "Company") on August 8, 2018, in the above referenced Docket. The Company requests the Public Service Commission of South Carolina approve revisions to the Meter-Related Optional Program Rider MROP ("Rider MROP").

The Company has begun deployment of advanced metering infrastructure ("AMI"), which includes the deployment of smart meters to its South Carolina customers. Smart meters utilize radio frequency communications to transmit energy usage data and various other enhanced services. However, due to some customer concerns about smart meters, DEP proposes to offer a voluntary service option in Rider MROP to customers desiring a non-communicating meter that will be read manually each month. This alternative would be Manually Read Metering ("MRM") to be performed by a meter reader visiting the participating customer's premises, provided that such a meter is available for use by the Company.

The customer's cost to participate in this MRM service includes a one-time initial set-up fee of \$170 to cover the costs of configuring and installing the non-communicative meter, customer

service to establish the manual meter reading service, meter rerouting cost and a portion of the information technology ("IT") enhancements necessary to support billing the new service. In addition, a monthly rate of \$14.75 will be charged to off-set the cost of manually reading the meter and the remainder of the IT programming costs.

The Company also seeks to restrict the availability of the TotalMeter program in Rider MROP to current participants. This voluntary program allows a customer's meter to be read remotely for a monthly fee. Historically, this service was desired by customers that prefer to not have Company agents on their premises each month or that desired a specific meter reading schedule. Currently, one customer is served under Option 1, that uses a customer furnished telephone land line, and no customers are served under Option 2 that uses a Company supplied wireless telephone communication. Option 1 was closed to new participants in October 2013 due to difficulty securing a meter capable of interfacing with the customer's land line. The Company is now seeking to close Option 2 to new participants in anticipation that the benefits of this service will be available at no monthly charge upon deployment of AMI smart meter technology. Restricting future availability of Option 2 will aid in the transition to AMI metering.

DEP requests approval of the revisions to Rider MROP at this time and plans to make them effective April 1, 2019. This interim period will allow the Company ample time to implement the IT programming changes required in the customer billing system. It will also provide the opportunity for the Company to notify customers and address their concerns with a solution as questions arise during AMI deployment. The revisions to Rider MROP do not result in any rate increase.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Joseph Melchers, Esquire (via E-mail)

cc:

Heather Shirley Smith, Esquire (via E-mail)